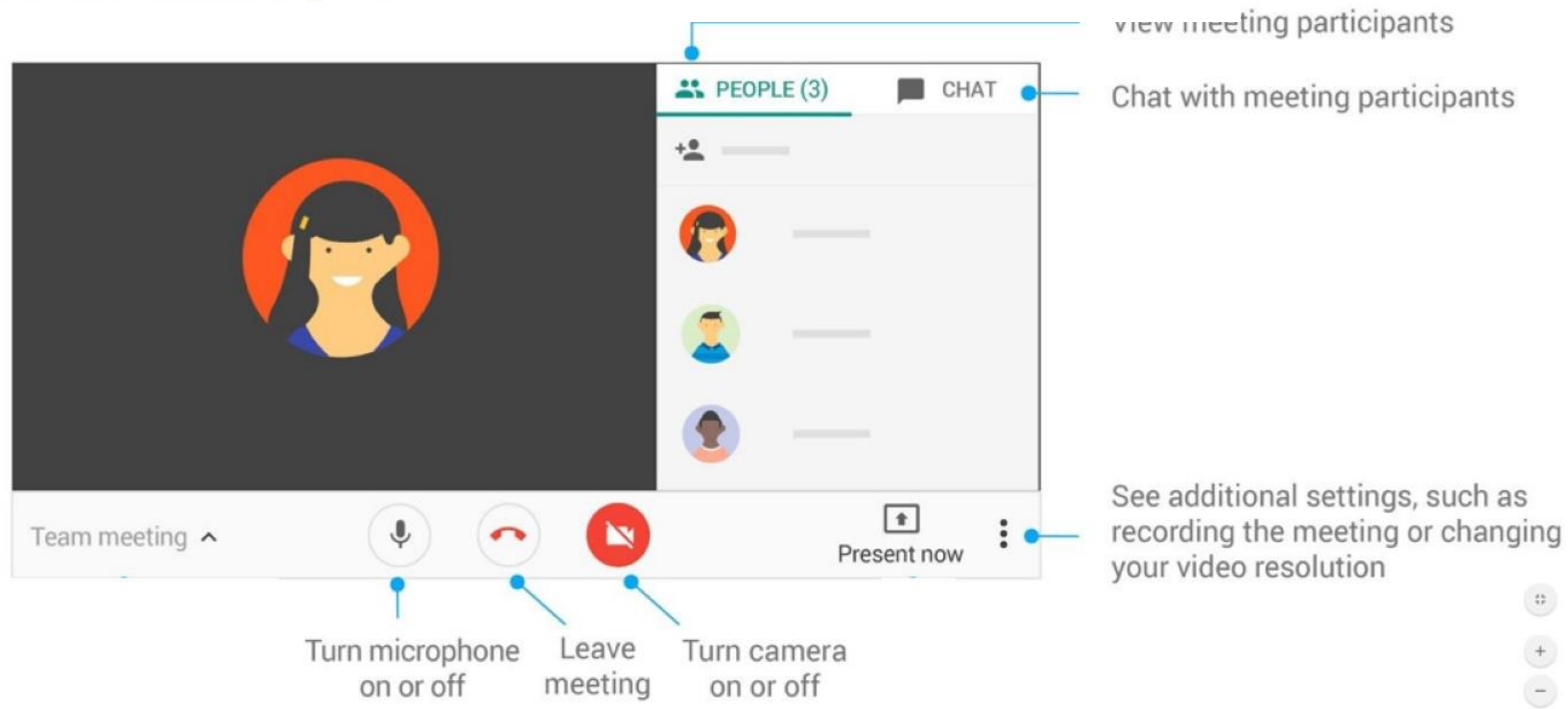




**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**

Partners for Better Communities

To Participate: Please stay muted and use the in-meeting chat to ask questions. Thank you.



INDUSTRIAL REVITALIZATION FUND

HOW TO APPLY WORKSHOP

December 15th
10:00-11:00 AM

AGENDA



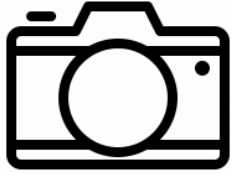
1. IRF OVERVIEW
2. ELIGIBLE PROPERTIES
3. FUNDING
4. CONTRACTS
5. SCORING
6. APPLICATION DETAILS
7. QUESTIONS





DHCD is committed to creating safe, affordable and prosperous communities to live, work and do business in Virginia.





IRF Snapshot:

- **WHAT:** Funding for the rehabilitation of large-scale derelict structures no longer suited for their original purpose
- **WHY:** To catalyze revitalization by eliminating blight through market-driven redevelopment
- **HOW:** Grants or Loans of up to \$600,000
- **WHEN:** Awarded Annually, Summer Application Deadline
- **WHO:** Local Government (can be on behalf of non-profit or for-profit)



\$1.5 million for Fiscal Year 2022

is available for the strategic redevelopment of **vacant and deteriorated industrial properties** across Virginia



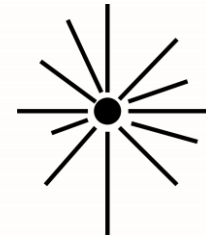
Financial barriers typically block the timely redevelopment of these structures and often require more than local resources to attract private sector investment in order to make a deal cash flow. This is especially true in distressed areas.



The Industrial Revitalization Fund is meant **to leverage local and private resources** to achieve market-driven redevelopment of these structures, creating **a catalyst** for long-term employment opportunities and on-going physical and economic revitalization.



The intent of the IRF program is to fund **shovel-ready projects** that will act as a catalyst to **spark additional private investment and job creation** in distressed areas that have been targeted for economic development and community revitalization as part of a larger economic restructuring or economic development strategy.



Since its inception in 2012, the Industrial Revitalization Fund has:



assisted
34 projects
across Virginia



generating over
\$121 million in
public and private
investment



resulting in the
creation of more
than **485 jobs**

The program is targeted toward **vacant and deteriorated** properties whose poor condition creates a notion of physical and economic blight in the surrounding area, and often is a deterrent to surrounding development.



ELIGIBLE

Manufacturing	Department Stores
Warehousing	Theaters
Mining	Hotels
Transportation	Shopping Centers
Power Production	School Buildings



Not only “Industrial” properties!
Most any vacant or deteriorated
commercial, industrial, or
institutional properties

For mixed-use properties, as
long as **30% of the project is
commercial** it is eligible.



INELIGIBLE

Solely residential
Scattered site projects
Greenfield sites

Only local governments (cities, counties, or towns), and regional or local economic or industrial development authorities may submit applications for funding.

A unit of local government may apply directly for funding to use on publicly owned property OR on behalf of a for-profit or non-profit entity for privately owned property.

Localities may designate a redevelopment authority or another similar organization as an agent for project implementation and administration.

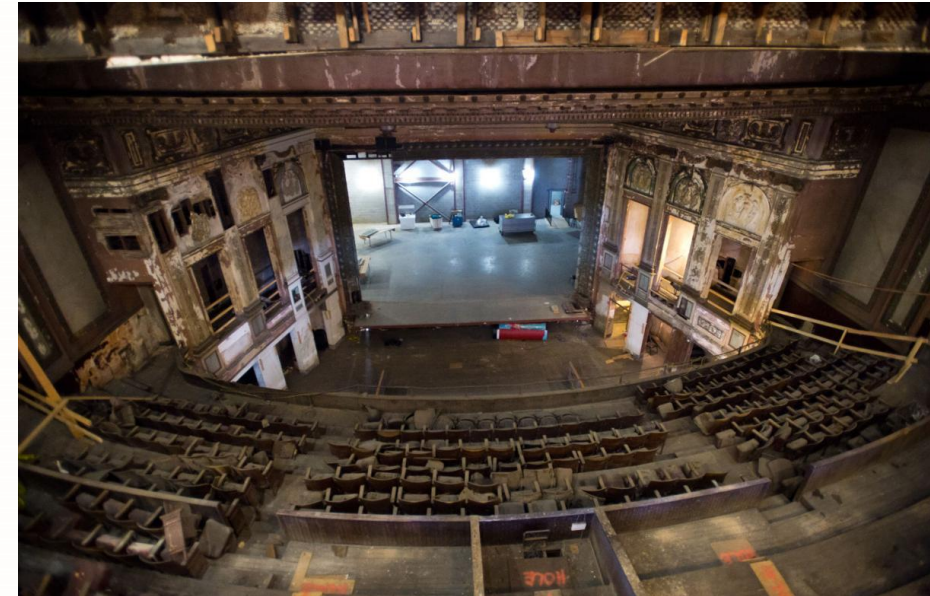


A locality may only submit one application per funding round

1

Localities must identify and authorize the project that will have **the most meaningful impact** on local community revitalization and economic development efforts.

A **resolution from the local governing body** authorizing the request for funding is an application requirement.

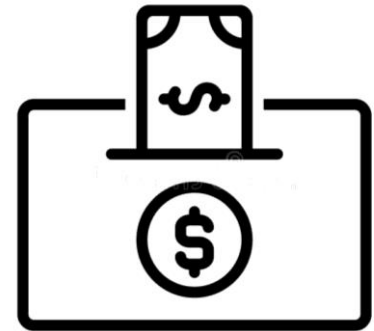


DHCD will issue an **IRF GRANT** under the following conditions:

The property is publicly owned

The privately owned property has an option agreement/contract in place for purchase by a local government at the time of the application

The private property is owned by a not-for-profit, tax-exempt entity



DHCD will issue an **IRF GRANT/LOAN** under the following conditions:

The property is owned by a private, for-profit entity and the end-use will be owned by a private, for-profit business.

IRF Grant/Loans may be funded as a grant to the applicant local government (or local Development Authority), who will in turn make a loan to the for-profit entity.

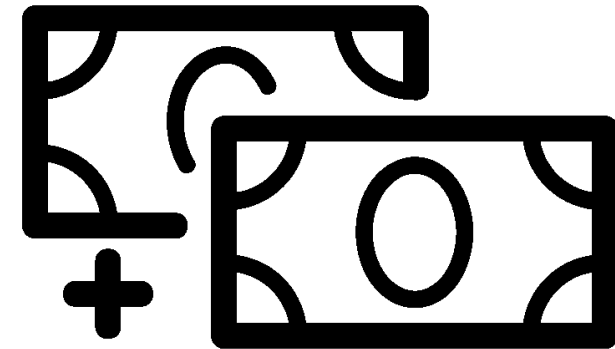


Match

To demonstrate project viability and the applicant's commitment, applicants are **required to provide a 100 percent (1:1) local match from private or public sources.**

The match must either be cash or documented costs that are **directly associated with the improvements to the property where IRF funds are expended.**

Local match may include federal (CDBG or other), state, local, and private funds spent on activities directly related to the targeted project within the last **full** fiscal year (on or after July 1, 2020).



Eligible Match:

- Acquisition costs
- Documented costs directly associated with physical activities on the IRF project site
- Construction-related soft costs such as engineering, design or architectural activities
- Investments into Machinery & Tools
- Public notices, permit or dumping fees and inspections costs (or waivers of such) directly related to physical activities
- No more than five percent (5%) local match will be accepted as in-kind or cash for out-of-pocket administrative costs

Ineligible Match:

- State or local taxes
- Site remediation
- Interest or principal payments on current debt on the property
- Investments in Business
Personal/Tangible Property
(Furniture, Fixtures, and Equipment)



Successful applicants will be required to sign a contract/performance agreement

committing them to the economic outcomes, property use, fund use and match outlined in approved application and any pre-contract/performance agreement negotiations.

All approved projects will be **committed to a project completion date of 18 months from contract execution/loan closing**, by which all activities must be completed and drawdown requests/loan disbursements submitted to DHCD/VCC. Any project that receives funding and does not use all of its designated funds by the project completion date specified in its contract/loan award may lose the remaining fund balance.



Funding Priorities:

#1

Relationship to
a local or
regional
**economic
development
strategy**

#2

High degree
of **blight and
deterioration**
to be
addressed

#3

Project
readiness

#4

Project with
a **clear end
use**

#5

End use has
clear &
significant
**community
economic
impact**

#6

High **economic
distress** in project
locality

Scoring

Relationship to Economic Development Strategy	10%
Readiness	30%
End Use Plans	15%
Economic Impact	25%
Distress	15%
Match	5%
Total	100%
<i>Bonus Points</i>	5%

Funds will be allocated through a competitive process that will give greater priority to projects leading to the efficient and immediate redevelopment and/or reuse of abandoned “industrial” structures.

Applications will be evaluated according to a scoring system and projects will be selected for funding on the basis of the higher scores in descending order until all funds are allocated.

A strong application will be able to document that the project is **ready-to-go, but could not be finished without the injection of the IRF funds.**



FY22 Timeline

NOW: Register Your Organization in CAMs

July 31, 2021: Application Deadline

Late Summer: Application Review

Late Fall: Anticipated Award Announcement

All projects must be ready to execute a contract or performance agreement for the IRF funds by **January 1, 2022**



Create Your Organization's Profile in CAMS

Applications for IRF funding must be submitted through DHCD's Centralized Application Management System (CAMS). You can access CAMS using the following link:

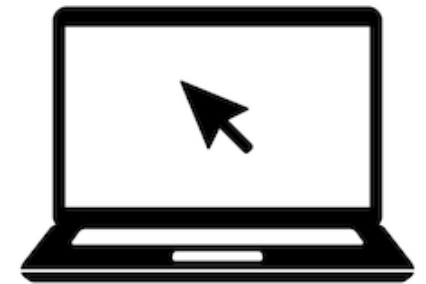
<https://dmz1.dhcd.virginia.gov/camsportal/Login.aspx>

A profile request can be made by going to the CAMS site and selecting the **“Registration”** option. In order to register your organization, you will need your organizations DUNS number and FEIN number.

Start Application

Once your organization has been registered, you may log in with your username and password and select the **“Applications and Programs”** option. From this page, select the **“Apply”** option and select **“Industrial Revitalization Fund”** from the dropdown menu. A description of the program will appear. Click the **“Apply”** button next to the pencil icon to begin an application.

As you complete the application, **be sure to save each page**. You have the option to close out of CAMS and return to the application at any time until the application is submitted or the deadline has passed.



Project Budget

Complete the **Project Budget** and discuss the funding for the proposed project in the budget narrative section. Identify ALL activities that need to be undertaken in order to return the property to a viable economic use. In the case of activities whose costs will be paid for by funds other than IRF, use the “*Other*” category. In the narrative, please list the specific source of non-IRF funds.



Application Submission

Application ID: 33903032016135238 Project Name: IRF 2017 - Test [Edit?](#) Program Name: Industrial Revitalization Fund Implementation

Application Start Date: 03/01/2016 Application End Date: 05/19/2016 Status: Incomplete

Project Information **Project Budget** Narrative Information Attachments Additional Information

[Save This Tab](#)

Project Budget Information

Please enter your Total Request: \$

Cost/Activity Category		DHCD Request	Other Funding	Total
+ Clearance and Demolition	Add Delete	\$0.00	\$0.00	\$0.00
+ Building Construction/Renovation	Add Delete	\$0.00	\$0.00	\$0.00
+ Other	Add Delete	\$0.00	\$0.00	\$0.00
TOTAL		\$0.00	\$0.00	\$0.00

Budget Narrative:

Project Overview

Introduce us to your project!

Please complete the summary sheet
and provide a brief description of the
project here.

PROJECT SUMMARY SHEET

Project Name	Rehabilitation of the Carver Hotel
Locality Applying	Town of Kingston
Property Address	262 West Main Street, Kingston, VA 22488
Year Built	1921
Original Use of Property	Hotel
Property Size SF	3,620 SF
Vacant Since	2005
Owner	Town of Kingston
Developer	Waring Mitchell LLC
End User	Mystery Hospitality LLC
Total Project Budget	\$5,350,000
IRF Request (\$600,000 Max)	\$600,000
Intended Use of IRF Funds	For construction and renovation of the hotel rooms, including a new HVAC system, electrical work, roof repairs, and painting
Intended Use of Property	12 room boutique hotel with lobby and café on the ground floor
Approx. # of Jobs to be Created	5 full-time and 10 part-time positions
Current Condition of Property	Visibly derelict, with broken windows, roof collapsing in one corner



Questions Relating to Funding Priority 1

Clear relationship to a local or regional economic development strategy



Development Strategies: Discuss any local or regional economic development strategies or plans and explain how this project ties in with those identified goals & outcomes.

Local Development: Discuss any recent or upcoming public or private investments that will contribute to, or benefit from, the success of this IRF project.



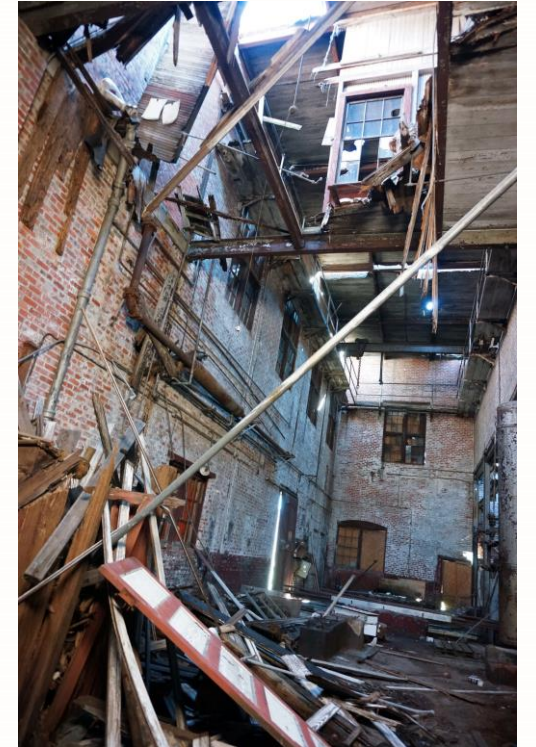
Questions Relating to Funding Priority 2

High degree of blight & deterioration to be addressed



Discuss the rationale for the selection of the targeted property versus other vacant and deteriorated properties in the locality. Why is this project the highest community priority?

Discuss how this property was determined to be blighted and describe the derelict elements of the building. Discuss the negative impact that the property, in its current condition, has had on other investment and job creation in the surrounding area. Include in the attachments photographs of the property to demonstrate the derelict condition of the exterior and interior.



Questions Relating to Funding Priority 2

High degree of blight & deterioration to be addressed

List any public or private investments or initiatives during the following timeframes, that have or will contribute to or benefit from the success of the IRF project:



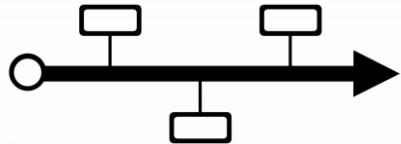
- a. Within the past two years
- b. Currently underway
- c. Within next two years



Questions Relating to Funding Priority 3

Project readiness

Project Status: Please complete the project status chart. Provide a brief narrative here discussing ownership of the property, what has been done to date and any potential obstacles to completion.



IRF PROJECT STATUS SHEET

Activities Completed So Far to Prepare for Development	
Current Zoning & Any Needed Changes	
Will New Market or Historic Tax Credits Be Used? If so, please provide the status	

Does the Project Require Financing ? Please provide summary and status if so.	
Is the Project Design Finalized? What steps remain?	

Questions Relating to Funding Priority 3

Project readiness

Developer: If a Developer has already been identified, discuss the developer's experience and capacity. If the local government will act as the Developer include similar information. If a Developer has not been identified, discuss the process and timeline for securing one.

Matching Funds: Please complete the matching funds chart and include documentation of all secured matching funds as an attachment. Describe here why IRF assistance is absolutely necessary to complete the project.



MATCH FUNDING CHART

Source of Match Funding	Amount of Funding	Status of Funding
Town of Kingston Façade Grant	\$60,000	Awarded Fall 2020
DHR Emergency Supplemental Historic Preservation Fund (ESHPPF)	\$120,000	Application submitted July 2, 2021, award notification August 20, 2021
Union Bank	\$420,000	Approved loan (commitment letter dated July 20, 2021 attached)
Tobacco Commission	\$75,000	Secured, using for A & E services
TOTAL	\$675,000	

Questions Relating to Funding Priorities 4 & 5

Project with a clear & impactful end use

Discuss the end-use of the property, including evidence of its economic viability. Cite and include relevant sections of market research, pro-forma, or other economic viability research. Please include a copy of the end-use business plan, if available.



Discuss how end-users will be recruited and discuss interest or commitments to-date from possible end-users.

Provide the anticipated operating budget once project is stabilized. Discuss how the facility will be managed upon completion.



Questions Relating to Funding Priorities 4 & 5

Project with a clear & impactful end use

Please indicate the **primary community economic impact of this project**, including net new full-time and part-time jobs (not including construction jobs), new businesses, and leveraged private investment.

Please describe the **secondary community economic impact of this project**, such as increased local sales, meals, or lodging tax revenues, increased export or non-export (tourism) revenues, increased daily and/or overnight visitors, and availability of commercial square footage or residential units.

Please describe **any additional impact of this project**, such as access to services or resources, workforce development, and quality of life improvements.



Questions Relating to Funding Priority 6

High economic distress in project locality

Former Methodology (FY12-21)	Proposed Methodology (FY22)
Unemployment	Unemployment
Median Household Income	Fiscal Stress (revenue capacity per capita, revenue effort, median household income)
Poverty	Poverty
6 categories of distress	4 categories of distress
42 = high distress 32 = no distress points	29 = high distress 11 = no distress
150 points maximum	150 points maximum

Based on **Appendix D** of the Application Instruction Manual, please list your locality's distress score. Towns may use the distress score of the county, or they may calculate their own based on a calculator provided by DHCD, upon request.

FY22 Distress Chart

Highly Distressed = 150 Application Points			
Bristol City	Galax City	Lynchburg City	Richmond City
Brunswick County	Greensville County	Martinsville City	Roanoke City
Buchanan County	Hampton City	Newport News City	Sussex County
Covington City	Harrisonburg City	Norfolk City	Williamsburg City
Danville City	Henry County	Norton City	Wise County
Dickenson County	Hopewell City	Petersburg City	
Emporia City	Lee County	Portsmouth County	
Franklin City	Lexington City	Radford City	
Above Average = 100 Application Points			
Accomack County	Charlottesville City	Mecklenburg County	Smyth County
Alleghany County	Colonial Heights City	Montgomery County	Southampton County
Amherst County	Cumberland County	Northampton County	Staunton City
Appomattox County	Dinwiddie County	Nottoway County	Suffolk City
Bland County	Essex County	Page County	Tazewell County
Buckingham County	Fredericksburg City	Patrick County	Washington County
Buena Vista City	Giles County	Pittsylvania County	Waynesboro City
Campbell County	Grayson County	Prince Edward County	Westmoreland County
Carroll County	Halifax County	Pulaski County	Winchester City
Charles City County	Lunenburg County	Russell County	Wythe County
Charlotte County	Manassas Park City	Scott County	

FY22 Distress Chart

At Risk = 50 Application Points			
Albemarle County	Fairfax County	King William County	Roanoke County
Alexandria City	Floyd County	Lancaster County	Rockbridge County
Amelia County	Fluvanna County	Louisa County	Rockingham County
Augusta County	Franklin County	Madison County	Salem City
Bath County	Frederick County	Manassas City	Shenandoah County
Bedford County	Gloucester County	Mathews County	Spotsylvania County
Botetourt County	Greene County	Middlesex County	Stafford County
Caroline County	Henrico County	Nelson County	Surry County
Chesapeake City	Highland County	Northumberland County	Virginia Beach City
Chesterfield County	Isle of Wight County	Orange County	Warren County
Craig County	James City County	Prince George County	York County
Culpeper County	King and Queen County	Prince William County	
Fairfax City	King George County	Richmond County	
Not Distressed = 0 Application Points			
Arlington County	Fauquier County	Loudoun County	Powhatan County
Clarke County	Goochland County	New Kent County	Rappahannock County
Falls Church City	Hanover County	Poquoson City	

Extra Credit



EXTRA CREDIT CHART

Is this project in a revenue sharing district and/or has it been cited in a formal regional development strategy? Please describe.	
Is this project eligible for local real property tax abatement or other local incentives to encourage property reinvestment? Please describe.	
Is this project located within an Enterprise Zone?	
Is this project located in a current CDBG project area?	

Is this project located within a special district? Special districts include: Designated Main Street districts; local, state or federal historic districts; redevelopment or blight removal districts; technology zones; tourism zones; opportunity zones; etc.	
Does your project have committed leverage funding in excess of a 1:1 match? What is the ratio of committed leverage funding to IRF request (total commitment divided by IRF request)?	
Is your project committed to including SWAM certified contractors/sub-contractors through solicitation during the bidding & procurement process?	

Attachments

Local Assurances: The *Chief Administrative Officer* for the locality must sign to certify that the information in this application is accurate and correct and that the property meets the eligible definition of “blighted”.

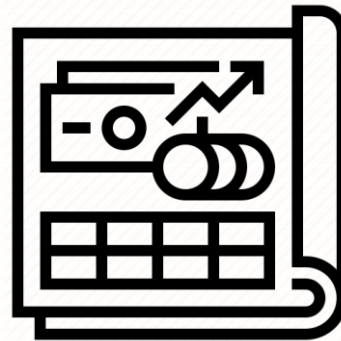
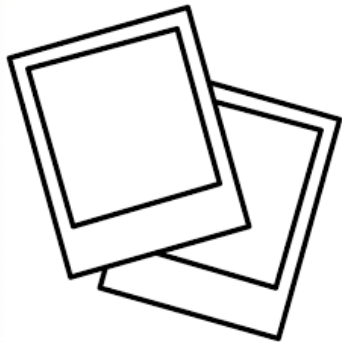
Resolution: The governing body of the locality must authorize the application for Industrial Revitalization Funds for the specific property (address will be sufficient) and documenting the **specific dollar amount in IRF matching funds** from the locality and other sources. If the locality is applying on behalf of a non-profit or private for-profit entity, the resolution should document the specific match amount and indicate that it is the responsibility of that entity to come up with the match.



Attachments

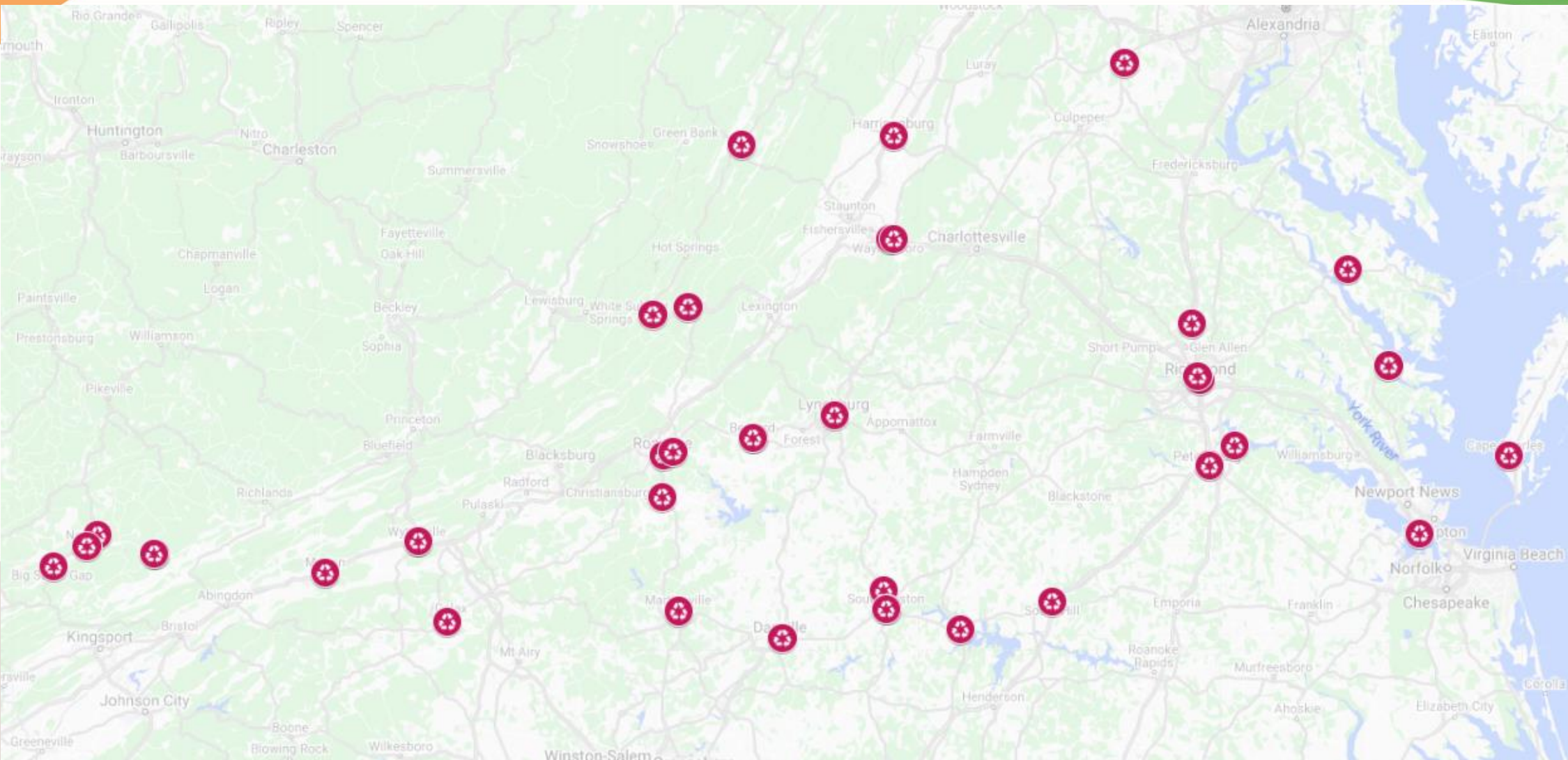
Photographs: Photos of the entire property, inside and out, to show its current state

Additional Project Info: Proformas, business plans, etc



The more information provided at the time of application, the greater the evidence that the project is “ready to proceed.” In addition, the more information provided upfront, the sooner the project can get underway if awarded funding.

Awarded Projects



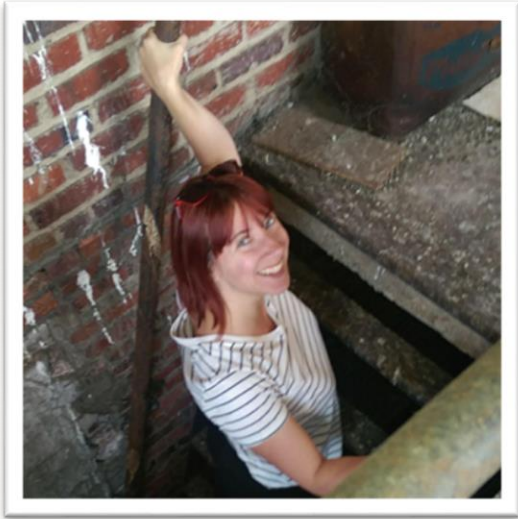
Awarded Projects

321 Craghead Warehouse
Sawyers Furniture Site Redevelopment
Wayne C. Henderson School of Appalachian Music & Arts
Richmond Armory Project (Black History Museum and Cultural Center of Virginia)
George Wythe Hotel Redevelopment (Edith Bolling-Wilson Hotel)
Burlington Plant Site
Harrisonburg Ice & Coal
John Randolph Hotel Redevelopment
Masonic Theater Rehabilitation
238 E. Broadway Redevelopment (CAPUP's Guncotton Coffee)
Henry Hotel Redevelopment Project
Willis Building Rehabilitation Project
Wise Inn Redevelopment Project
Ashland Theater Revitalization
Petersburg Ice & Coal (Trapezium Brewery & Restaurant)
Gill Memorial Building (Roanoke Technology Incubator)
Virginia Metalcraft Brewing
Bedford Brewery Block Development

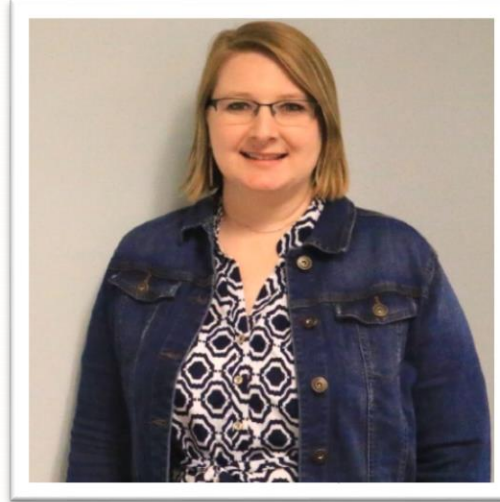
Boones Mill Industrial Park Revitalization Program
Lynchburg Academy of Music Theatre
Wart Hog Brewery
Planter's Tobacco Warehouse Redevelopment
Highland Inn Revitalization
Cambria Hotel and Suites
Southern Virginia Food Hub
Mutual Pharmacy Complex Redevelopment
Cape Charles Brewing Company Development
John Randolph Hotel Redevelopment
Cook's Corner Redevelopment
Jefferson Ave Redevelopment
Project Apple Norton
Bedford School Project
Alleghany Discovery Center
Virginia Union University
St. Paul Lyric Theatre
Millwald Theatre
Gish Mill Redevelopment
Warsaw Brewery Redevelopment



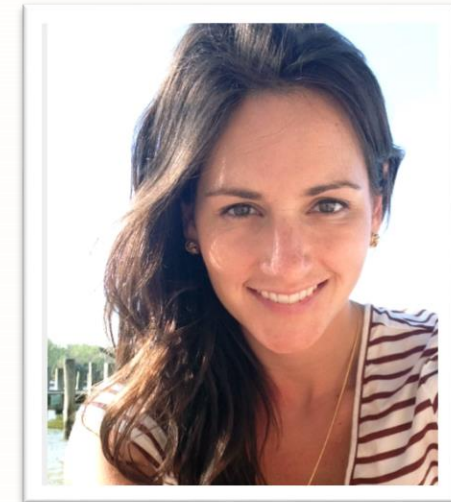
Any Questions?



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